United Nations A/AC.109/2010/2

General Assembly

Distr.: General
3 February 2010

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

British Virgin Islands

Working paper prepared by the Secretariat

Contents

Page

I. General 3

II. Constitutional, political and legal issues 3

III. Budget 3

IV. Economic conditions 4

A. General 4

B. Financial services 4

C. Tourism 5

D. Agriculture, fisheries and shipping 7

E. Transport, communications and public works 8

V. Social conditions 8

A. General 8

B. Labour and immigration 9

C. Education, culture and sports 9

D. Public health 10

E. Crime and public safety 11

VI. Environment 12

VII. Relations with international organizations and partners 12

10-23346 (E) 010310

Please recycle

VIII. Future status of the Territory 13
A. Position of the territorial Government 13
B. Position of the administering Power 13
C. Action by the General Assembly 14

I. General

1. The British Virgin Islands* is a Non-Self-Governing Territory administered by the United Kingdom of Great Britain and Northern Ireland. The Territory is located about 100 kilometres east of Puerto Rico and 25 kilometres from the United States Virgin Islands. The Territory comprises an area of 153 square kilometres, a group of some 50 islands, islets and cays that form an archipelago with the United States Virgin Islands, scattered over some 3,445 square kilometres of sea. Twenty of the islands are inhabited. The capital city, Road Town, is located on the largest island, Tortola. The other major islands are Virgin Gorda, Anegada and Jost Van Dyke. For 2009, the population of the Territory was estimated at approximately 24,000 persons.[1]

II. Constitutional, political and legal issues

2. The basis of the relationship between the United Kingdom Government and its Non-Self-Governing Territories is set out in a White Paper, entitled "Partnership for Progress and Prosperity: Britain and the Overseas Territories", published in March 1999.[2] The British Overseas Territories Act 2002 granted the right of British citizenship to "British Overseas Territory citizens".

3. As previously reported, the earliest known inhabitants of the Territory were the Arawaks and the Caribs, indigenous people of the region. The Dutch established the first permanent European settlement on the islands in 1648. In 1666, British planters took control of the islands and the Territory attained the status of a British colony. The planters were granted civil government, constitutional courts, an elected House of Assembly and a partly nominated Legislative Council, which first met in 1772. In 1872, the islands became part of the Federation of the Leeward Islands. In the 1930s and 1940s, British Virgin islanders demanded greater self-governance, which led to the Territory becoming a separately administered colony in 1956.

4. In 2007, the British Virgin Islands adopted a new Constitution. The Virgin Islands Constitution Order 2007 came into force on 15 June 2007. Under this Constitution, the administering Power appoints a Governor with responsibilities for defence, internal security, external affairs, public service and the administration of the courts. In the areas of internal security and external affairs, the 2007 Constitution provides for the territorial Government to have formal input, allowing for greater sharing of those responsibilities. At the same time, there is an overriding reservation for the British monarch to make laws for the peace, order and good government of the Virgin Islands, specifically there is limited legislative or discretionary power reserved for the Governor.[3] According to an independent review

* The information contained in the present working paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] Central Intelligence Agency, *The World Factbook*.

[2] "Partnership for Progress and Prosperity: Britain and the Overseas Territories", White Paper submitted to the House of Commons on 17 March 1999 by the United Kingdom Secretary of State for Foreign and Commonwealth Affairs; reproduced in A/AC.109/1999/1 and Corr.1, annex I.

[3] Information provided by the administering Power on 29 December 2009.

of British offshore financial centres commissioned by the United Kingdom Government and subsequently released in October 2009, the British Virgin Islands has a standing entrustment which allows it to negotiate treaties in specific areas, such as certain offshore financial matters.

5. The Governor of the British Virgin Islands, David Pearey, who took office on 18 April 2006, is due to retire. In 2009, William Boyd McCleary was appointed as his successor, and is expected to take up his appointment during July/August 2010.

6. As previously reported, the 2007 Constitution led to the introduction of a cabinet style of Government. The Executive Council was replaced by a Cabinet, the Chief Minister by a Premier, and the Legislative Council by a House of Assembly. The Cabinet consists of the Premier (appointed by the Governor from among the elected members of the House of Assembly), four other Ministers (appointed by the Governor on the advice of the Premier) and one ex officio member (the Attorney General). The Governor attends and presides over the Cabinet. The agenda is agreed by the Cabinet Steering Committee, consisting of the Governor, the Premier, and the Cabinet Secretary. The House of Assembly consists of a Speaker, the Attorney General (ex officio) and 13 elected members (9 members from one-member electoral districts and 4 members representing the Territory at large).

7. There are four political parties in the Territory: the Virgin Islands Party (VIP) founded in 1971; the United Party (UP), founded in 1966; the Concerned Citizens' Movement (CCM), founded in 1994 as a successor to the Independent People's Movement; and the National Democratic Party (NDP), founded in 1998. General elections must be held at least once every four years. Candidates are elected based on a simple majority.

8. Persons voting must be 18 years of age or over and have "belonger status". According to the administering Power, it is estimated that some 19 per cent of the population has "belonger status", which includes the right to work without a permit and the right to vote. In practice, as previously reported, a person has to live and reside continuously in the Territory for 20 years before he or she may apply for permanent residence. After obtaining permanent residence, he or she may apply to become a belonger. The Cabinet decides on matters related to residence and belongership status, while the Governor has authority with regard to British citizenship.

9. In the last general election, held on 20 August 2007, the Virgin Islands Party won 10 of the 13 seats in the House of Assembly and subsequently formed the Government, with Ralph T. O'Neal as Premier. The next general election is scheduled for September 2011.

10. The law of the British Virgin Islands comprises common law of England, locally enacted legislation, and imperial legislation. Justice is administered by the Eastern Caribbean Supreme Court based in Saint Lucia, which consists of two divisions: the High Court of Justice and the Court of Appeal. According to the administering Power, there are three resident High Court Judges, and a visiting Court of Appeal, which comprises the Chief Justice and two judges of appeal and sits twice a year in the Territory. There is also a Magistrates' Court, which hears prescribed civil and criminal cases, as well as a Juvenile Court and a Court of Summary Jurisdiction. The United Kingdom Privy Council's Judicial Committee is the final court of appeal. According to the administering Power, a new Commercial

Court was opened in the Territory in October 2009 to serve the Eastern Caribbean jurisdictions, including the British Virgin Islands.

11. Speaking at the Caribbean Regional Seminar convened under the auspices of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples in Frigate Bay, Saint Kitts and Nevis from 12 to 14 May 2009, the representative of the British Virgin Islands stated that whereas no one in the Territory wanted the British Virgin Islands to be a colony or territory of any administering Power, there was no support for independence among the people of the Territory. The predominant view was that independence should be pursued only when the British Virgin Islands can be sustained economically. The issue of independence had not been put before the people at any of the general elections or at any referendum, and it was commonly felt not to be a burning issue. The full text of the statement can be found on the United Nations website on decolonization.

12. On 9 December 2009, the eleventh meeting of the Overseas Territories Consultative Council was held in London. According to the administering Power, at the request of overseas territory leaders, this year a forum was held the day before the Consultative Council on 8 December to review the aforementioned 1999 White Paper "Partnership for Progress and Prosperity" which established the principles that had guided the relationship between the United Kingdom and territories since 1999. The Forum was the first stage of a consultation process on the future of that relationship. At the Consultative Council meeting, the United Kingdom and the Non-Self-Governing Territories represented, including the British Virgin Islands, inter alia agreed to continue their discussions on the relationship between the United Kingdom and the overseas territories.

III. Budget

13. Estimated expenditure of the Territory for 2009 was approximately $254 million, with an estimated revenue of about $280 million and an estimated surplus of $26 million. The territorial Government is responsible for public sector finance in terms of funding capital expenditures from operating surpluses, where feasible, and remaining in compliance with the borrowing guidelines agreed with the United Kingdom.[1]

14. According to the aforementioned independent review of British offshore financial centres of October 2009, the downturn in fee income from international business company incorporations contributed to a deterioration in the public finances in the British Virgin Islands. The national debt increased by 27 per cent to $102.4 million in 2009, while annual debt servicing obligations had grown by 34.6 per cent since 2008. Revenue was forecast to decline by 5 per cent in 2009 compared with the previous year.

15. In the British Virgin Islands, there is no income, corporation, value added or goods and services tax. As previously reported, in October 2008 the United Kingdom and the British Virgin Islands signed a tax agreement involving arrangements for exchanging tax information and avoiding double taxation of individuals. Since then, several other tax information exchange agreements have been signed by the British Virgin Islands and other countries.[2]

IV. Economic conditions

A. General

16. The economy of the British Virgin Islands is largely based on financial services, which contribute approximately half of the gross domestic product (GDP), and tourism. Since 1959, the legal tender of the British Virgin Islands has been the United States dollar.

17. According to the administering Power, GDP figures for 2008 indicated that the economy of the Territory contracted by approximately 0.6 per cent as a result of the global economic slowdown. In 2008, GDP fell by $7.03 million from $1.1 billion in 2007. Per capita GDP was estimated at $38,820 for 2008.

18. Against the backdrop of an economic recession in 2009, the territorial Government set out to stimulate the two major segments of the economy, financial services and tourism, through the implementation of various related policies and programmes. In this context, the Government was working to increase spending on development projects. At the same time, as stated in the Premier's 2009 budget address, there was an ongoing dialogue between the territorial Government and the British Virgin Islands Electricity Corporation with regard to lowering the high cost of electricity charges.

19. According to the November 2009 Throne Speech of the Territory, the territorial Government was committed to providing a supportive environment for the Territory's small businesses and continues to seek ways to strengthen the economy. Further, having gained Cabinet approval of a National Trade Policy in 2009, the Government intends to propose legislation on fair competition, foreign direct investments, franchising, anti-dumping and consumer protection.

20. The principal trading partners of the British Virgin Islands are the United States of America, Puerto Rico, States members of the Caribbean Community (CARICOM) and the United Kingdom. Imports consist mostly of food, machinery and fuel.

B. Financial services

21. According to the aforementioned independent review of British offshore financial centres, the British Virgin Islands were a leading domicile for international business companies, with much business coming from the Far East in addition to strong business links with the United States. The Territory, which is home to some 800,000 international business companies, has experienced a fall in company incorporations. Nevertheless, according to the administering Power, there were 61,716 new companies registered in 2008. By April 2009, the British Virgin Islands had "substantially implemented" the principles of transparency and exchange of information developed by the Global Forum of the Organization of Economic Cooperation and Development. The financial services sector accounts for approximately 60 per cent of the GDP of the Territory.

22. The British Virgin Islands Business Companies Act of 2004 helped position the British Virgin Islands as a leader in the registration of corporate structures worldwide. The Financial Services Commission, through the Registry of Corporate

Affairs, continues to be one of the major revenue-generating engines in the Territory. The International Financial Centre, under the Ministry of Finance, is the entity charged with marketing and promoting the financial services sector of the Territory. The Financial Investigation Agency continues to investigate financial crime. According to the territorial Government, as reflected in the 2009 Speech from the Throne, measures to ensure that the Territory continues to meet relevant international standards have been passed in the form of the Financing and Money Services Act 2009, the Financial Services Commission (Amendment) Act 2009 and the Proliferation Financing (Prohibition) Act 2009.

C. Tourism

23. Tourism is one of the two major economic pillars of the Territory. According to the administering Power, in 2008 tourism accounted for 37 per cent of GDP and directly employed one in every three persons in the British Virgin Islands. In 2009, visitor arrivals declined from 952,711 to 934,168. With regard to the continued decline of visitor arrivals, in 2009 the Premier emphasized the territorial Government's commitment to doing whatever was necessary to improve the tourism sector. As an illustration, the Government has budgeted to increase spending on tourism-related infrastructural development projects and communication services.[6]

24. According to the administering Power, work on various high-end tourism developments is continuing, with a planned increase of over 1,088 hotel rooms over the next five years. At the same time, the Tourist Board of the British Virgin Islands continues its efforts towards improving standards, including through an initiative to improve basic physical standards of accommodation facilities.

D. Agriculture, fisheries and shipping

25. In the 2009 budget address, the territorial Government stated that the agricultural sector had to increase the ability of the British Virgin Islands to sustain itself and to help reduce reliance on imports to feed its people. Based on that policy direction, the territorial Government has since 2008 embarked on projects to install greenhouses on the mainland of Tortola and on Virgin Gorda, which would be capable of producing enough vegetables to meet demand for these products within the Territory.

26. The Territory's Fisheries Act of 1997 and Fisheries Regulations of 2003 govern fishing in the British Virgin Islands. Fishing mainly serves the local market. The two main types of fisheries in the Territory are small-scale commercial and recreational fisheries. Since 2008, the Territory's Fishing Complex programme has helped ensure that the people of the British Virgin Islands are able to purchase local fish and other seafood year round.

27. According to the 2009 Throne Speech, there was a comparatively low number of marine accidents during 2008. The territorial Government nevertheless continues to engage local recreational boaters more directly with education, information and advice conducive to their own safety and that of others sharing the marine areas of the Territory.

[6] 2009 Budget Address, 26 February 2009.

E. Transport, communications and public works

28. The British Virgin Islands has over 200 kilometres of surfaced roads. Direct shipping services operate from the United Kingdom of Great Britain and Northern Ireland, the United States of America and the Netherlands. A deepwater harbour exists in Road Town. Regular ferry service links Tortola with some of the other islands and with St. Thomas of the United States Virgin Islands. There are three international airports in the British Virgin Islands, served by some 15 airlines.

29. Development planning in the British Virgin Islands is governed by the Physical Planning Act 2004, under which all development in the Territory requires approval from the Physical Planning Authority in line with the Territorial Plan, which determines land use activities and identifies undeveloped areas.

30. As previously reported, the Territory's seaports need various improvements and its Ports Authority planned to begin a major capital development programme that would include the ports at Virgin Gorda, West End and Port Purcell. In his 2009 budget address, the Premier stated that major work was about to start on the West End terminal. He also said that the Territory needed an improved road infrastructure that would help eliminate congestion that was occurring in certain areas.

31. According to the 2009 Throne Speech, 2010 would see a comprehensive review of the Telecommunications Act 2006. Complementing the review would be proposals for telecommunications regulations addressing consumer protection and a licence-exemption framework, which would provide residents with the right to use various commonly used radio devices while regulating and managing wireless interference.

32. The Water and Sewerage Department of the territorial Government has about 8,000 household customers who are provided water from 10 active reservoirs and 8 desalination plants. According to the administering Power, the plants are owned by three private companies from which the territorial Government purchases the water.

V. Social conditions

A. General

33. Financial assistance for sickness and maternity benefits, as well as pensions is provided for those who need it through the Social Security Board. In November 2009, the Premier said to the press that the territorial Government would have to review certain aspects of the non-contributory pension scheme of the British Virgin Islands. The Social Development Department provides grants and other assistance to persons who are in need of assistance through the Public Assistance Committee, appointed by the Cabinet. Other programmes that are administered by the Social Development Department include services for the elderly and the disabled, as well as community development.

34. According to the 2009 Throne Speech, an internal consultation process to strengthen the social services sector had been completed and recommendations would be submitted towards a social legislation package on the protection of children and domestic violence. Moreover, the Government had hired a disability

policy adviser to assist with the development of relevant policies and legislation. A draft disability policy and legislative brief were expected to be completed for public consultation.

35. According to the territorial Government, as reflected in its 2009 budget address, the Minister for Health and Social Development intends to launch a social sector analysis and a response planning initiative to examine the current level and mix of skills available within the Social Development Department, and in the wider community.

B. Labour and immigration

36. The labour force of the British Virgin Islands numbered approximately 19,100 workers in 2008, according to information transmitted by the administering Power. The main employers were the territorial Government, financial services, hospitality and construction sectors. The workforce was comprised of approximately 40 per cent Virgin Islanders and 60 per cent expatriates. The unemployment rate was 3 per cent. Unemployment figures were expected to increase for 2009, as employers attempted to reduce overhead costs. Layoffs in 2009 had already been experienced in the tourism sector, particularly in hotels and restaurants.

37. Work permit exemptions are granted based on enrolment in the school system (entrance at the primary level and completion at the secondary level), marriage to a belonger for a period of not less than three years, and residency in the Territory of the British Virgin Islands for 20 years or more by a person who has demonstrated good charac[illegible]. The number of exemptions granted is considered on an annual basis.

38. In 2009, the territorial Government continued to address labour force-related issues. The Premier stated in the budget address that the Government was cognizant of the need for expediency in processing the applications that came through the Labour Department of the Territory. He emphasized, however, that the needs of the people of the Territory had to be met first. Moreover, according to the 2009 Speech from the Throne, the territorial Government intended to introduce legislation to penalize the agents or owners of vessels (whether they are boats or aircraft) when they knowingly transport persons to the British Virgin Islands who do not meet the basic entry requirements of the Territory.

C. Education, culture and sports

39. Education is free and compulsory in the British Virgin Islands for children between the ages of 5 and 16 years. There are public and private primary schools in the Territory on Tortola, Anegada, Virgin Gorda and Jost Van Dyke, as well as high schools, both private and public. The community college at Paraquita Bay, the H. Lavity Stoutt Community College, is a comprehensive community college which offers university-parallel, technical-vocational and adult continuing education programmes.

40. According to the 2009 budget address, there were a number of programmes to develop the educational system of the British Virgin Islands, which included rehiring retired teachers to supplement and enhance the delivery of material to students, enhancing the certifications and qualifications of nationals in the financial

services industry; ensuring the accountability of the education system through regular reporting and evaluation; enabling monthly grade level meetings with teachers in the schools; revising and implementing the National Curriculum; initiating a youth development programme aimed at motivating and empowering the youth; initiating a television homework help programme; and assisting schools through public-private partnership in education through the Adopt a School Programme.

41. Moreover, in order to provide the teachers with the needed tools to perform at a higher level, the territorial Government collaborated with the University of the West Indies and the Territory Community College in the autumn of 2008 to implement a Bachelor of Education Degree programme, in which 20 teachers of the Territory were enrolled.

42. With regard to cultural initiatives, as reflected in the 2009 Speech from the Throne, the territorial Government remained highly committed to ensuring that the culture of the Virgin Islands is recognized and preserved, on the premise that the identification and preservation of the various aspects of the culture of the Territory, such as language, music, history, art, drama, literature, food and architecture would go a long way to instil cultural awareness and pride in who the Virgin Islanders are as a people. In that regard, in 2009 the British Virgin Islands has partnered with the United Nations Educational, Scientific and Cultural Organization (UNESCO) to help redouble its efforts.

43. The Department of Youth Affairs and Sports works with sports organizations to improve their capacity in administration, event hosting, fund-raising, international networking and athlete development. According to the 2009 Throne Speech, discussions were under way to introduce a youth and a sports policy for the Virgin Islands, with the aim of providing a framework to guide and govern the principles and practice of sports throughout the Territory. It would seek to establish best practices in the provision of services, facilities, professional management and development of sports and the nurturing and development of the athletic abilities and talents of all residents of the Virgin Islands.

D. Public health

44. The Health Services Authority of the Territory, an autonomous corporate body, was established in 2005 when the British Virgin Islands Health Services Act was passed, to manage all public health-care delivery services for the Ministry of Health and Social Development. According to the administering Power, a review of the health legislation of the Territory began in late 2008, continuing throughout 2009, including on the introduction of a national health insurance system. In the same year, as reflected in the 2009 Speech from the Throne, the House of Assembly unanimously passed the Nurses and Midwives Act 2009, which constituted an updated framework for nursing in the Territory and brought it on a par with advancements in standards and global changes in the field of nursing. A new Nursing and Midwives Council has been appointed.

45. The territorial Government continued to be the major funding source for the Authority. In accordance with the 1977 Public Health Act, the statutory framework for protecting and promoting the population's health, public health services are provided free at the point of use to certain groups such as full-time schoolchildren,

nursing mothers, the elderly, the mentally challenged, health workers, fire-fighters, the police, prisoners and prison officers.

46. According to the 2009 Throne Speech, an assessment of the mental health system of the Territory had been completed, and a draft policy brief was being reviewed in consultation with the Pan American Health Organization and prepared for public consultation. The outcome of the initiative was expected to bring awareness to mental health issues and the prevention of mental illness, as well as the introduction of a new Mental Health Act.

47. The British Virgin Islands has one 44-bed public hospital, Peebles Hospital, and one 8-bed private hospital, the Bougainvillea Clinic. Both are located in Road Town. Peebles Hospital offers general and certain specialist medical services. The territorial Government budgeted approximately $80 million during fiscal year 2009/2010 for the completion of the new Peebles Hospital structure, which is expected by mid-2010. Tertiary care services are accessed at institutions in Puerto Rico, other Caribbean islands and the United Kingdom.

48. According to the administering Power, there is a total of 103 physicians registered to practise in the British Virgin Islands. Of these, 58 are actively practising in the Territory, 32 in the public sector and 26 in the private sector. There are 11 dentists registered to practise in the British Virgin Islands, of whom 3 work in the public sector and 8 in the private sector. Additional information on health services can be found in the 2009 working paper (A/AC.109/2009/1).

49. In terms of disease conditions, according to media reports, 99 HIV/AIDS cases had been reported towards the end of 2009. To date, 33 persons are reported to have died of AIDS. According to the Territory AIDS Coordinator, medication to treat persons living with the disease is free. As previously reported, chronic non-communicable diseases, mainly diabetes and hypertension, contribute to adult morbidity and mortality.

E. Crime and public safety

50. During the early 2000s, the increased level of crime in the Territory became a matter of concern. As previously reported, the problem is gradually being addressed by the territorial Government, including with support from the Royal Virgin Islands Police Force. In 2009, according to the territorial Government, a five-member Police Service Commission was established to contribute to the development of the Royal Virgin Islands Police Force. As reflected in the 2009 Speech from the Throne, the Government will introduce a Justice Protection Bill and other measures during 2009/2010 to strengthen the crime fighting capabilities of the Royal Virgin Islands Police Force and other law enforcement agencies.

51. Moreover, as reflected in the 2009 budget address, the territorial Government continued its efforts to ensure that the conditions at the Territory prison at Balsum Ghut, Tortola, were in accordance with international standards and territorial laws. In this context, the intermittent services of a parole officer from the United Kingdom as a consultant were agreed for a period of two years. Further, as reflected in the 2009 Speech from the Throne, in February 2009 the House of Assembly passed the Parole Act 2009, bringing the Territory up to date with trends in human rights and new approaches in dealing with criminal offenders. The Act provides for

the creation of a parole system and a Board charged with the duty to make recommendations for the release of prisoners on temporary licence, designed to ensure that suitable prisoners are released for precisely defined and specific activities. Since early March 2009, the territorial Government has been undertaking the necessary preparations for implementation of the Act.

VI. Environment

52. The British Virgin Islands has acceded to several global multilateral environmental agreements, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Convention on Biological Diversity, the Convention on Wetlands of International Importance, and the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

53. During 2009, according to information provided by the administering Power, the British Virgin Islands carried out two climate change public stakeholder consultation workshops, and a comprehensive legislative review had produced an Environmental Management and Conservation of Biodiversity Bill dealing with environmental management and preservation.

54. With regard to basic environmental issues such as solid waste disposal and littering, in his 2009 budget address the Premier stated that the territorial Government was concerned about the inability of the Territory to manage solid waste. He announced that a new incinerator would be installed, which would be able to meet the need for a clean and pollution-free British Virgin Islands. In addition, as reflected in the 2009 Speech from the Throne, the Litter Abatement (Amendment) Act 2009 gave a broader definition for litter wardens to include the services of solid waste officers and members of the Police Auxiliary Force. The Act also increased penalties for littering.

VII. Relations with international organizations and partners

55. The British Virgin Islands has associate membership in UNESCO, the International Labour Organization (ILO), and the Economic Commission for Latin America and the Caribbean. According to the administering Power, the Territory labour laws have been reassessed in the light of ILO and other relevant international standards, and a new Labour Code Bill has been formulated for consideration by the legislature. Additionally, under the National Commission Act of 2009 of the Territory, a British Virgin Islands National Commission for UNESCO was established to help carry out the aims and objectives of that international organization, and to collaborate with UNESCO in the areas of institution- and capacity-building concerning the Territory.

56. The Territory is an associate member of CARICOM and the Organization of Eastern Caribbean States (OECS), as well as a borrowing member of the Caribbean Development Bank. In 2009, the British Virgin Islands joined consultations held by OECS member States on a proposed economic union, which was established on 29 December 2009 as the OECS Economic Union.

57. As a Non-Self-Governing Territory of the United Kingdom, the British Virgin Islands is associated with the European Union but is not a part of it.

VIII. Future status of the Territory

A. Position of the territorial Government

58. The position of the territorial Government regarding the future status of the British Virgin Islands is reflected under section II on constitutional issues.

B. Position of the administering Power

59. Information provided by the United Kingdom for inclusion in the report of the Secretary-General of 23 April 2009 entitled "Implementation of decolonization resolutions adopted since the declaration of the First and Second International Decades for the Eradication of Colonialism" (A/64/70), inter alia states that the United Kingdom's policy towards the Overseas Territories rested on the basis that it is the people of each Territory who determine whether they wish to stay linked to the United Kingdom or not. The United Kingdom had no intention of imposing independence against the will of the people concerned. Further, the statement referred to the suggestion by some commentators that the United Kingdom should agree to allow Territories the three status options set out in General Assembly resolution 1541 (XV), for removing Territories from the United Nations list, namely integration, independence, or free association. According to the United Kingdom, its policy was not to agree to integration, and nor was there any indication that any of the Territories were seeking this. Its position on independence had already been set out. The concept of free association, as defined by the General Assembly, would mean that the Territory itself would draw up its Constitution free from the involvement of the United Kingdom, which would nonetheless retain all responsibility for the Territory, without the powers necessary to meet its responsibilities for the Territories. This was not a position the United Kingdom was willing to put itself in.

60. The United Kingdom further pointed out that General Assembly resolution 1541 (XV) was not legally binding and the United Kingdom had not voted in favour of the resolution. The United Kingdom Government indicated that it considered the existence of the Special Committee of 24 and the list of Non-Self-Governing Territories to be outdated, and remained of the view that none of its Overseas Territories should remain on the list.

61. In a statement made on 5 October 2009 at the 2nd meeting of the Special Political and Decolonization Committee (Fourth Committee) during the sixty-fourth session of the General Assembly (see A/C.4/64/SR.2), the representative of the United Kingdom said inter alia that where the people of any of its Overseas Territories clearly and constitutionally opted for independence, the United Kingdom would help them achieve it. Where instead, a Territory wished to retain links, the United Kingdom would safeguard the future development and continued security of that Territory, and would hold regular annual political consultations with it. Meanwhile, the respective territorial constitutions governed the relationship between the United Kingdom and its Overseas Territories and were regularly updated, carefully considering all proposals for constitutional change received from the Territories. A number of such new constitutions had come into force since 2006.

62. The United Kingdom stated that maintaining high standards of probity and governance was a cornerstone of British administration of the Territories. The United Kingdom Government was committed to allowing each Territory to run its own affairs responsibly as far as possible, but when developments in a Territory gave cause for concern or a Territory failed to fulfil international obligations, the United Kingdom would not hesitate to raise the matter with the territorial Government and intervene where necessary.

63. Further, the British Government continued to encourage all its Overseas Territories to meet internationally recognized Group of Twenty standards to ensure sound financial regulation, resilient public finances, and responsible debt management.

C. Action by the General Assembly

64. On 10 December 2009, the General Assembly adopted without a vote resolutions 64/104 A and B, based on the report of the Special Committee submitted to the General Assembly[5] and its subsequent consideration by the Special Political and Decolonization Committee (Fourth Committee) (see A/64/413). Section IV of resolution 64/104 B concerns the British Virgin Islands. In the operative part of that section of the resolution, the General Assembly:

> "1. ***Welcomes*** **the new Constitution of the British Virgin Islands, which took effect in June 2007, and notes the continued need expressed by the territorial Government for minor constitutional amendments in the years to come;**
>
> 2. ***Requests*** **the administering Power to assist the Territory by facilitating its work concerning public outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations and, in that regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;**
>
> 3. ***Welcomes*** **the efforts made by the Territory to focus its economic base more on local ownership and on professional service industries other than financial services;"**

[5] *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 23* and corrigendum (A/64/23 and Corr.2).